

House Republican Press Release

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Rep. Chapin: Legislature Must Revisit Electric Deregulation



HARTFORD – State Rep. Clark Chapin, R-New Milford, today called on leaders of the General Assembly’s Energy and Technology Committee to begin drafting legislation that would address a 22.4 percent increase in electricity bills that will begin hitting many Connecticut consumers immediately.

On Tuesday, December 28, the Department of Public Utility Control (DPUC) granted Connecticut Light and Power’s (CL&P) request for the rate increase. CL&P customers will see a 17.5 increase beginning with power supplied from January 1 and another 4.9 percent in April. CL&P’s request is related to its own electricity purchasing costs. According to published reports, the company cited increases in fossil fuel prices and federal mandates for hiking its own prices.

“Unfortunately, the 1998 deregulation legislation has turned out to be a failure in keeping the cost of electricity affordable,” said Rep. Chapin, who serves as Ranking Member of the Environment Committee. “What we don’t see is industry competition and instead see an astronomical increase in our electric bills. The committee really needs to start looking at initiatives that can be passed this year to help prevent a similar situation in the future.”

Deregulation legislation approved by the Legislature in 1998 was intended to lower rates for residents and businesses, end electric monopolies and encourage new power plants. The deregulation bill initially established rate caps at 10 percent below 1996 rates. The caps were intended to safeguard consumers until a free market for power was in place.

“DPUC’s approval of this increase is just another reason why businesses will continue to leave Connecticut,” said Rep. Chapin. “Not only does this excessive increase affect consumers directly, but it also will result in job loss and an increase in the cost of goods and services. The legislative session beginning in February doesn’t allow for individual legislators to introduce this type of legislation. That’s why it is imperative that the Co-Chairs of the Energy and Technology Committee begin drafting legislation that their committee can bring forward.”